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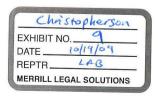
Lawson Procurement Punchout
Administration Guide

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Contents

Lawson Procurement Punchout
Administration Guide

List of Figures

Lawson Procurement Punchout
Administration Guide

Chapter 1

Lawson Procurement Punchout Overview

This section describes the functionality and components of the Lawson Procurement Punchout product. The following sections help you get started in administrating this product by helping you understand what the different components are and how they work together.

What Does Lawson Procurement Punchout Do?

Lawson Procurement Punchout works with Lawson Requisitions Self-Service to allow end-users to seamlessly browse vendor web-sites, select from approved products and pre-negotiated prices, create requisitions, route for approval and then generate purchase orders. Lawson Procurement Punchout eliminates the need to load and maintain item master data for non-inventoried or highly configured products.

Lawson Procurement Punchout enables users of Lawson Requisitions Self-Service to order supplies from specific vendor's web sites. Within Lawson Procurement Punchout, a vendor's web site is represented by an icon on the Lawson Requisitions Self-Service home page. When the user clicks on the vendor icon (called "punching out") that vendor's web site catalog appears in a separate browser session. From this vendor-managed catalog, Lawson Requisitions Self-Service users can choose items to order, placing them into an electronic "shopping cart" and finally returning the selected cart content to the Lawson Requisitions Self-Service application. By separate agreement between the customer and the vendor, the vendor will often display the customer's special cost information for catalog items, as well as limit the catalog items that are displayed.

When users have filled their shopping carts (virtually speaking) and checked out from the vendor web site, the chosen items and their cost are returned to the Lawson server where a requisition is created using the Lawson

Requisitions Self-Service application. A purchase order is then created from the requisition. Depending upon vendor capabilities and your unique business requirements, Lawson Procurement Punchout and/or EDI can be used to send the order to the vendor using common protocols such as http/s, ftp/s, email, dialup, etc. One vendor may prefer XML format via HTTPS, another may prefer X.12 and FTP.

NOTE Not all vendors support all formats and protocols.

Any purchase orders created from within Lawson as XML or EDI can be sent to the vendor via the Lawson EDI for Supply Chain application or via webMethods integration. webMethods is a provider of integration software solutions for rapidly automating business processes within the enterprise and with trading partners across the Internet. They offer a comprehensive integration platform that forms a strong base on which to build a seamlessly integrated business network.

Lawson Procurement Punchout enables organizations to manage a complex mix of internal and external procurement information, providing connectivity to preferred trading partners and stakeholders, and delivering accurate, up-to-date information about the purchasing process. Our experience working with organizations has taught us that procurement is often inefficient and complex. We know that manual, fragmented and labor-intensive processes create a host of problems.

Lawson Procurement Punchout automates tasks associated the acquisition of products and services through the following features:

- **Punchout** Shopping on vendor managed websites through secure connectivity between Lawson requisitions and the systems of the trading partners and digital marketplaces that are exposed to the Internet.
- **Pre-built Connectivity** B2Bi (Business-to-business integration) is pre-built to an ever growing number of major trading partners. Vendor profiles – "connectors" – are downloadable from the Lawson support site.

Lawson Procurement Punchout
Administration Guide

What Are the Lawson Procurement Punchout Components?

Lawson Procurement Punchout uses various Lawson and third-party components to create the Shopping Experience. These components include:

- Lawson Requisitions, Inventory Control, Accounts Payable, and Purchase Order server applications

You will set up these applications with basic information and processes necessary for requisition processing, such as the currency you will use, your accounting units and accounts, the names and locations of your vendors, your inventory locations and items, your requesters, and requesting locations.

Requisitions. Before you can create requisitions, you must set up the Requisitions application, including requesters, requesting locations, and approval codes. The Requisitions Self-Service tab on Requesters (RQ04.1) allows you to define the tasks allowed in the Lawson Requisitions Self-Service application. For more information, see the *Requisitions User Guide*.

Inventory Control. The Requisitions Self-Service tab on Company (IC01.1) allows you to define the tasks allowed in the Lawson Requisitions Self-Service application. UNSPSC Product Codes (IC16.1) and Item Master (IC11.1) allow you to create an item hierarchy that enables user searches at each level, based on the UNSPSC codes developed by the United Nations in association with Dun & Bradstreet. The Search Catalog allows you to look up items and keywords in up to 28 origin fields determined by set up. Keywords and search criteria are defined in the Inventory Control application. For more information, see the *Inventory Control User Guide*.

Purchase Order. Purchase Order vendors and locations must be defined prior to using Lawson Requisitions Self-Service. Electronic Data Interchange (EDI) is defined as your PO Vendor Issue Method if your company is issuing purchase orders via EDI. The Punchout tab on PO Vendor (PO10.1) and Vendor Purchase From Location (PO10.2) allows you to specify whether or not to allow changes to punchout items. For more information, see the *Purchase Order User Guide*.

Accounts Payable. Vendors must be set up in Vendor (AP10.1) for processing. For more information, see the *Accounts Payable User Guide*.

- Lawson Requisitions Self-Service.

The Lawson Requisitions Self-Service application lets you create requests with demand on stock and demand on vendors, and process, view, and modify requisitions. For more information, see the *Lawson Requisitions Self-Service User Guide*.

- Lawson ProcessFlow.

ProcessFlow (reqapproval1.flo and reqapproval2.flo) routes requisition approval requests to approvers. Each flow has up to six levels of approval, based on dollar amounts. You define approvers and dollar amounts according to their requirements for a company/requesting location. For more information, see the *ProcessFlow Reference Guide*.